

STATE OF OKLAHOMA

2nd Extraordinary Session of the 50th Legislature (2006)

SENATE BILL 112x

By: Corn

AS INTRODUCED

An Act relating to the Rural Economic Action Plan Water Projects Fund; amending 68 O.S. 2001, Section 1004, as amended by Section 2, Chapter 416, O.S.L. 2002 (68 O.S. Supp. 2005, Section 1004), which relates to gross production tax; modifying funds subject to certain deposit limit; amending Section 1, Chapter 500, O.S.L. 2004 (62 O.S. Supp. 2005, Section 2002.1), which relates to public finance; enumerating purposes for which Rural Economic Action Plan Water Projects Fund shall be used; providing for apportionment of Fund; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 68 O.S. 2001, Section 1004, as amended by Section 2, Chapter 416, O.S.L. 2002 (68 O.S. Supp. 2005, Section 1004), is amended to read as follows:

Section 1004. Beginning July 1, 2002, the gross production tax provided for in Section 1001 of this title is hereby levied and shall be collected and apportioned as follows:

1. For all monies collected from the tax levied on asphalt or ores bearing uranium, lead, zinc, jack, gold, silver or copper:

- a. eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- b. seven and fourteen one-hundredths percent (7.14%) of the sum collected from natural gas and/or casinghead gas or asphalt or ores bearing uranium, lead, zinc,

jack, gold, silver or copper shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

- c. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph b of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

2. For all monies collected from the tax levied on natural gas and/or casinghead gas at a tax rate of seven percent (7%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- b. seven and fourteen one-hundredths percent (7.14%) of the sum collected from natural gas and/or casinghead gas shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the

funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

- c. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph b of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

3. For all monies collected from the tax levied on natural gas and/or casinghead gas at a tax rate of four percent (4%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. seventy-five percent (75%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- b. twelve and one-half percent (12.5%) of the sum collected from natural gas and/or casinghead gas shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- c. twelve and one-half percent (12.5%) shall be allocated to each county as provided for in subparagraph b of

this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

4. For all monies collected from the tax levied on natural gas and/or casinghead gas at a tax rate of one percent (1%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. fifty percent (50%) of the sum collected from natural gas and/or casinghead gas shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- b. fifty percent (50%) shall be allocated to each county as provided for in subparagraph a of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

5. For all monies collected from the tax levied on oil at a tax rate of seven percent (7%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 41.29c of Title 62 of the Oklahoma Statutes,
- b. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 41.29d of Title 62 of the Oklahoma Statutes,
- c. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Oklahoma Tuition Scholarship Revolving Fund created in Section 41.29e of Title 62 of the Oklahoma Statutes,
- d. four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to the County Bridge and Road Improvement Fund of the State Treasury,
- e. four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund,
- f. seven and fourteen one-hundredths percent (7.14%) of the sum collected from oil shall be paid to the various county treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of

production from such county in the corresponding month of the preceding year, and

- g. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided in subparagraph f of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

6. For all monies collected from the tax levied on oil at a tax rate of four percent (4%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 41.29c of Title 62 of the Oklahoma Statutes,
- b. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 41.29d of Title 62 of the Oklahoma Statutes,
- c. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Oklahoma Tuition Scholarship Revolving Fund created in Section 41.29e of Title 62 of the Oklahoma Statutes,
- d. three and seventy-five one-hundredths percent (3.75%) shall be paid to the State Treasurer to be apportioned to the County Bridge and Road Improvement Fund of the State Treasury,

- e. three and seventy-five one-hundredths percent (3.75%) shall be paid to the State Treasurer to be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund,
- f. twelve and one-half percent (12.5%) of the sum collected from oil shall be paid to the various county treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- g. twelve and one-half percent (12.5%) shall be allocated to each county as provided in subparagraph f of this paragraph and shall be apportioned on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction; and

7. For all monies collected from the tax levied on oil at a tax rate of one percent (1%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. fifty percent (50%) of the sum collected shall be paid to the various county treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

- b. fifty percent (50%) shall be allocated to each county as provided for in subparagraph a of this paragraph and shall be apportioned on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction.

Provided, notwithstanding any other provision of this section, the total amounts deposited to the Common Education Technology Revolving Fund, the Higher Education Capital Revolving Fund, the Oklahoma Tuition Scholarship Revolving Fund, and the County Bridge and Road Improvement Fund ~~and the Rural Economic Action Plan Water Projects Fund~~ pursuant to paragraphs 5 and 6 of this section shall not exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any fiscal year. All sums in excess of One Hundred Fifty Million Dollars (\$150,000,000.00) in any fiscal year which would otherwise be deposited in such funds shall be placed by the State Treasurer in the General Revenue Fund of the state.

SECTION 2. AMENDATORY Section 1, Chapter 500, O.S.L. 2004 (62 O.S. Supp. 2005, Section 2002.1), is amended to read as follows:

Section 2002.1 A. There is hereby created the "Rural Economic Action Plan Water Projects Fund". The fund shall be subject to legislative appropriation and shall consist of all monies deposited into the fund by law. The fund shall be a continuing fund not subject to fiscal year limitations.

B. The One-half (1/2) of the amounts deposited in the Rural Economic Action Plan Water Projects Fund ~~may be used for any purpose as authorized by law~~ after the effective date of this act are hereby

appropriated to and may be budgeted and expended by the Oklahoma Water Resources Board for updating and implementing the Oklahoma Comprehensive Water Plan, for transfer to the Statewide Water Development Revolving Fund for financial assistance programs administered by the Oklahoma Water Resources Board, for water studies and projects, and for water rights administration. In updating and implementing the Oklahoma Comprehensive Water Plan, the Oklahoma Water Resources Board may take into consideration studies and surveys conducted by other state and federal agencies, professional engineering firms and other competent consulting firms.

C. One-half (1/2) of the amounts deposited in the Rural Economic Action Plan Water Projects Fund after the effective date of this act are hereby appropriated to and may be budgeted and expended by the Oklahoma Conservation Commission for rehabilitation of upstream flood control structures, cost match for the Conservation Reserve Enhancement Program, and invasive species eradication, pursuant to programs administered by the Oklahoma Conservation Commission; provided, funding for such programs shall be made available in compliance with the eligibility and priority requirements established by rules promulgated by the Oklahoma Conservation Commission or applicable United States Department of Agriculture program guidelines and requirements.

SECTION 3. This act shall become effective July 1, 2006.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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